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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

October 24, 1994

CC-Do. No. 93-22
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OCT 24 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

The Honorable Earl Hutto
Member, House of Representatives
P.O. Box 17689
Pensacola, FL 32522

Dear Congressman Hutto:

This letter responds to your correspondence on behalf of John F. Fay regarding charges on his telephone bill and relating to information services provided on 800 numbers. Your letter, as well as the complaint of your constituent, has been referred to the Enforcement Division of the Common Carrier Bureau for review. The Enforcement Division will communicate with your constituent upon completion of its review.

The Telephone Disclosure and Dispute Resolution Act (TDDRA) was enacted by Congress in 1992 and required both the Federal Communications Commission and the Federal Trade Commission (FTC) to adopt rules governing the provision of pay-per-call services. Under the TDDRA, the FCC has jurisdiction over the telecommunications carriers involved in the transmission and billing of the telephone calls, while the Federal Trade Commission has jurisdiction over the information service companies themselves.

The TDDRA generally required pay-per-call services to be provided on 900 telephone numbers and generally prohibited the provision of these services on 800 numbers, except in instances where the caller has entered into a presubscription agreement or comparable arrangement with the information service provider. Pursuant to the Commission's rules, which became effective on September 24, 1993, a presubscription agreement entails a formal contractual understanding whereby the consumer is provided clearly and conspicuously all terms and conditions associated with the use of the service and affirmatively agrees to abide by them.

The Commission has received numerous complaints similar to those described by your constituent. These complaints are processed by the Enforcement Division of the Common Carrier Bureau by serving a copy of the complaint upon the telecommunication carriers involved, who must generally respond in writing within 30 days. Beyond reviewing these

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complaints and pursuing appropriate action to resolve them, the Commission has undertaken several efforts. First, Common Carrier Bureau staff has met with the carriers that provide the billing service for calls to 800 numbers as well as interexchange carriers who provide the 800 number transport to emphasize their obligations under the TDDRA and the rules of the Commission. Secondly, because the increase in the number of complaints has been so significant, we have started an investigation of these practices, with special focus on whether any companies have attempted to evade or violate our rules. Additionally, as part of the effort to make clear the carriers' responsibilities under the law, the Common Carrier Bureau has recently issued a ruling holding that the information provider's receipt of the originating telephone number, a practice that was serving as the premise of some charges, does not in itself constitute a presubscription agreement.

Moreover, on August 2, 1994, the Commission instituted a Notice of Proposed Rulemaking seeking to strengthen Commission rules to prevent abusive and unlawful practices under the TDDRA. Specifically, the Commission has sought public comment on a proposal to require that a presubscription agreement be established only with a legally competent individual and executed in writing, and that common carriers obtain evidence of the written agreement before issuing a telephone bill that contains charges for presubscribed information services. Under the proposed rules, these telephone bills could be addressed only to the individual who actually entered into the presubscription arrangement, not to the person or company whose telephone was used to place the call. The Commission has tentatively concluded that this and other proposed changes would significantly assist in eliminating the source of many consumer complaints. Enclosed is a summary of the Commission's action in this regard.

We appreciate receiving your correspondence. Please call upon us if we can provide any additional information.

Sincerely,


Kathleen M.H. Wallman
Chief
Common Carrier Bureau

Enclosure

EARL HUTTO
1ST DISTRICT
FLORIDA

2435 RAYBURN BUILDING
WASHINGTON, DC 20515-0901
(202) 225-4138

COMMITTEES:
ARMED SERVICES
MERCHANT MARINE AND
FISHERIES

Congress of the United States
House of Representatives
Washington, DC 20515-0901

OLA
CC-800
CC-900

DISTRICT OFFICES:
MADISON PARK
4300 BAYOU BLVD., SUITE 25 A
PENSACOLA, FL 32503
(904) 478-1123

ADMINISTRATION BUILDING, ROOM 234
GULF COAST COMMUNITY COLLEGE
POST OFFICE BOX 459
PANAMA CITY, FL 32402
(904) 872-8813

SHALIMAR COURTHOUSE ANNEX
SHALIMAR, FL 32579
(904) 851-3111

August 18, 1994

Ms. Ellen Rafferty
Congressional Liaison
Federal Communications Comm.
1919 M Street, N. W.
Washington, D. C. 20554

Dear Ms. Rafferty:

The attached communication is submitted for your consideration, and to ask that the request made therein be complied with, if possible.

If you will advise me of your action in this matter and have the letter returned to me with your reply, it will be appreciated. Please reply to:

**Post Office Box 12345
Pensacola, Florida 32502**

If you have any questions, please contact my caseworker, Ruby Boyd, at 904 478-1123.

With warm regards.

Sincerely,

Earl Hutto
Earl Hutto

EH/rlb

21 Palmetto Drive
Mary Esther, FL 32569
August 16, 1994

The Honorable Earl Hutto
P.O. Box 17689
Pensacola, FL 32522

Honorable and Dear Sir:

I am writing to ask you to help me with a problem which has just arisen with a telephone company. Yesterday I received from MCI a bill which included charges totalling over \$500 for international calls to an adult sexual fantasy line. I have enclosed a copy of this bill. I never made those calls; neither did anybody else in my family. My wife and I are both strong Christians, having served as missionaries earlier in our lives; our children are all too young to place international telephone calls of any sort, let alone to the number allegedly dialed. I have no desire to subsidize this sort of immorality by paying for someone else's evil. Am I legally obliged to do this, to pay for services I never received and to which I object strongly? My wife tried to contact the FCC to obtain information on the Federal laws governing unjust charges of this sort, but was unable to get any assistance.

I am asking your office to help us get this information from the FCC or from any other relevant authority. I look forward to hearing from you on this matter.

Sincerely,


John F. Farley

MCI long distance phone bill

Account No. : 4F255826 152538ZB1
Invoice No. : 99257373 Page No. 3
Billing Period: Jul 7-Aug 6, 1994

JOHN FAY

Current Charges	\$573.64
Current Taxes	\$32.52
Total Current Charges and Taxes	\$606.16
Previous Balance (Please disregard if paid)	\$66.52
Payments through 08/06/94	\$66.52CR
Balance due from Previous Charges	\$ 00
Total Amount Due	\$606.16

Service Summary

Best Friends (07/07/94 to 08/06/94)	\$1.00
PrimeTime Plan (07/22/94 to 07/28/94)	\$1.96
Long Distance	\$54.39
International Long Distance	\$519.10
Total Card Calls	\$1.60
MCI Savings	\$4.41CR
Total Current Charges	\$573.64

Taxes

Federal Excise Tax	\$17.21
State & Local Taxes	\$15.31
Total Current Taxes	\$32.52

Total Current Charges and Taxes \$606.16

MCI Savings

This amount includes your additional savings plan discounts on top of MCI's already low rates!

Friends & Family Discount (highlighted calls)	\$.66CR
PrimeTime Non-Plan Hour Discount	\$.28CR
Best Friends Discount, Marked B	\$3.47CR
Total MCI Savings	\$4.41CR

MCI long distance phone bill

Account No. : 4F255826 152541ZB1
Invoice No. : 99257373 Page No. 8
Billing Period: Jul 7-Aug 6, 1994

International Long Distance

Calls from 904-864-4782:

DATE	TIME	RATE	TO/FROM	NUMBER	MIN	AMOUNT
Jul 15	04:58P	S	TO MOLDOVA	3739999688	2	4.36
15	04:52P	S	TO MOLDOVA	3739999688	3	6.48
17	12:15A	S	TO MOLDOVA	3739999688	20	42.52
17	12:39A	S	TO MOLDOVA	3739999688	2	4.36
17	12:41A	S	TO MOLDOVA	3739999688	215	455.92
17	07:03A	X	TO MOLDOVA	3739999688	3	5.46

Total Calls from 904-864-4782: \$519.10

Total International Long Distance \$519.10

Card

Next time you call from overseas, use your MCI Card® and WorldPhone®, the easy and affordable way to stay in touch!

MCI Card Calls for 9048644782:

DATE	TIME	RATE	TO/FROM	NUMBER	MIN	AMOUNT
Jul 18	09:00A	D	TO MINNEAPOLIS MN	612-726-2422	3	1.60
			FR FT WLTN BC FL	950-1022		

Total MCI Card Calls for 9048644782: \$1.60

Total Card Calls \$1.60

Legend

B = Best Friends Call, 20% Discount
D = Domestic Pricing at Daytime Rate
E = Domestic Pricing at Evening Rate
N = Domestic Pricing at Night/Weekend Rate
S = International Pricing at Standard Rate
X = International Pricing at Discount Rate
A = Discount for Calls Outside of Plan Hours